

111TH CONGRESS
1ST SESSION

H. R. 777

To prohibit the Administrator of the Federal Emergency Management Agency from updating flood maps until the Administrator submits to Congress a community outreach plan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2009

Mr. PALLONE introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prohibit the Administrator of the Federal Emergency Management Agency from updating flood maps until the Administrator submits to Congress a community outreach plan, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. MORATORIUM ON FLOOD MAP UPDATES.**

4 The Administrator of the Federal Emergency Man-
5 agement Agency may not revise and update a floodplain
6 area or flood-risk zone under section 1360(f) of the Na-
7 tional Flood Insurance Act of 1968 (42 U.S.C. 4101(f))

1 until the date on which the Administrator submits to Con-
 2 gress a community outreach plan for the updating of
 3 floodplain areas and flood-risk zones.

4 **SEC. 2. REFUNDABLE CREDIT FOR RESIDENTIAL PROP-**
 5 **ERTY LOCATED IN EXPANDED FLOOD ZONE.**

6 (a) IN GENERAL.—Subpart C of part IV of sub-
 7 chapter A of chapter 1 of the Internal Revenue Code of
 8 1986 (relating to refundable credits) is amended by insert-
 9 ing after section 36 the following new section:

10 **“SEC. 36A. NEW FLOOD ZONE PREMIUM CREDIT.**

11 “(a) ALLOWANCE OF CREDIT.—In the case of an eli-
 12 gible individual, there shall be allowed as a credit against
 13 the tax imposed by this chapter for the taxable year an
 14 amount equal to the premium paid by the taxpayer for
 15 flood insurance under the National Flood Insurance Act
 16 of 1968 (42 U.S.C. 4001 et seq.) covering any residential
 17 property of the taxpayer which is a qualified flood risk
 18 property.

19 “(b) LIMITATIONS.—

20 “(1) LIMITATION BASED ON INCOME.—

21 “(A) IN GENERAL.—The amount which
 22 would (but for this subsection) be allowable as
 23 a credit under this section shall be reduced (but
 24 not below zero) by the amount determined
 25 under subparagraph (B).

1 “(B) AMOUNT OF REDUCTION.—The
 2 amount determined under this subparagraph is
 3 the amount which bears the same ratio to the
 4 amount which would be so taken into account
 5 as—

6 “(i) the excess of—

7 “(I) the taxpayer’s modified ad-
 8 justed gross income for such taxable
 9 year, over

10 “(II) \$50,000 (\$100,000 in the
 11 case of a joint return), bears to

12 “(ii) \$100,000 (\$200,000 in the case
 13 of a joint return).

14 “(C) MODIFIED ADJUSTED GROSS IN-
 15 COME.—For purposes of subparagraph (B), the
 16 term ‘modified adjusted gross income’ means
 17 adjusted gross income determined—

18 “(i) without regard to this section and
 19 sections 199, 222, 911, 931, and 933, and

20 “(ii) after application of sections 86,
 21 135, 137, 219, 221, and 469.

22 “(2) LIMITATION BASED ON PERIOD.—No
 23 amount shall be allowed as a credit under subsection
 24 (a) with respect to any residential property after the
 25 end of the 4th calendar beginning after the calendar

1 year in which the map referred to in subsection
 2 (c)(1) first became effective.

3 “(c) QUALIFIED FLOOD RISK PROPERTY.—For pur-
 4 poses of this section, the term ‘qualified flood risk prop-
 5 erty’ means a residential property (within the meaning of
 6 the National Flood Insurance Act of 1968) which—

7 “(1) is located in a floodplain area or flood-risk
 8 zone, as depicted on a flood insurance rate map re-
 9 vised and updated pursuant to section 1360(f) of the
 10 National Flood Insurance Act of 1968 (42 U.S.C.
 11 4101),

12 “(2) was outside of any floodplain area or
 13 flood-risk zone prior to such revision and updating,
 14 and

15 “(3) with respect to which—

16 “(A) the taxpayer owned such property on
 17 the date such revised and updated map first be-
 18 came effective, or

19 “(B) the purchase or construction of which
 20 by the taxpayer was subject to a binding writ-
 21 ten contract on such date.”.

22 (b) CONFORMING AMENDMENTS.—

23 (1) Paragraph (2) of section 1324(b) of title
 24 31, United States Code, is amended by inserting “,
 25 36A” after “36”.

1 (2) The table of sections for subpart C of part
 2 IV of subchapter A of chapter 1 of the Internal Rev-
 3 enue Code of 1986 is amended by inserting after the
 4 item relating to section 36 the following new item:

“Sec. 36A. New flood zone premium credit.”.

5 (c) EFFECTIVE DATE; WAIVER OF LIMITATIONS.—

6 (1) IN GENERAL.—The amendments made by
 7 this section shall apply with respect to any flood in-
 8 surance rate map which becomes effective pursuant
 9 to section 1360(f) of the National Flood Insurance
 10 Act of 1968 (42 U.S.C. 4101).

11 (2) WAIVER OF LIMITATIONS.—If refund or
 12 credit of any overpayment of tax resulting from the
 13 amendments made by this section is prevented at
 14 any time before the close of the 1-year period begin-
 15 ning on the date of the enactment of this Act by the
 16 operation of any law or rule of law (including res ju-
 17 dicata), such refund or credit may nevertheless be
 18 made or allowed if claim therefor is filed before the
 19 close of such period.

20 **SEC. 3. GRANT PROGRAM TO IMPROVE COMMUNITY RAT-**
 21 **ING.**

22 Section 1315(b) of the National Flood Insurance Act
 23 of 1968 (42 U.S.C. 4022(b)) is amended—

24 (1) by redesignating paragraph (4) as para-
 25 graph (5); and

1 (2) by inserting after paragraph (3) the fol-
2 lowing new paragraph:

3 “(5) GRANTS.—The program shall provide
4 grants to communities for projects to improve the
5 community rating of the communities under the pro-
6 gram.”.

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